



State of Vermont
Agency of Human Services
280 State Drive, Center Building
Waterbury, VT 05671-1000

Global Commitment Register

July 18, 2017

GCR 17-019
FINAL

Adolescent Hospital Diversion Program

Policy Summary:

The Agency of Human Services (AHS) is proposing a revised Medicaid reimbursement methodology for hospital diversion services. The revised methodology promotes access to hospital diversion services as a cost-effective and less-restrictive alternative to inpatient hospital services. Beneficiaries in need of facility-level care will be less likely to be hospitalized or remain in the hospital simply because a more appropriate level of treatment is unavailable. The new payment methodology will be a value-based approach that includes two components:

- *Per diem rate* - the payment rate will be established at a level that demonstrates savings relative to inpatient hospital care and promotes access to hospital diversion services. The rate effective August 1, 2017 is \$787.84.
- *Performance-based incentive* - the payment will be contingent on achieving pre-defined outcomes.

Effective Date:

August 1, 2017

Authority/Legal Basis:

[Vermont Medicaid State Plan](#)

[Global Commitment to Health Waiver](#)

Population Affected:

Medicaid beneficiaries aged 10 through 17 years who meet clinical criteria.

Fiscal Impact:

Expansion of the hospital diversion program is anticipated to reduce Medicaid expenditures for inpatient hospitalization by approximately \$311,000, and annual savings are expected to increase as the program matures.

Public Comment Period:

The public comment period was June 7, 2017 – July 7, 2017. [Comments and responses](#) can be viewed here.